NCA
VOC FOR PGM/FN
BACKGROUNDER NO. 5-5927 JUNE 20, 1978
RUSSEL SPLANE/ATLANTA

MAYORS CONFERENCE

ANNCR:

MAYORS OF THREE HUNDRED U.S. CITIES HAVE GATHERED IN ATLANTA, GEORGIA THIS WEEK FOR THE ANNUAL U.S. CONFERENCE OF MAYORS. VOA CORRESPONDENT RUSSEL SPLANE IS IN ATLANTA AND HAS THIS BACKGROUND REPORT:

VOICE:

THE TWO TOPICS MOST HEATEDLY DISCUSSED BY THE MAYORS ARE THE QUESTION OF HOW TO ALLOCATE FEDERAL FUNDS TO THE CITIES AND THE IMPLICATIONS OF THE TAXPAYER REVOLT, WHICH ERUPTED WITH DRAMATIC SUDDENESS EARLY THIS MONTH IN CALIFORNIA. THE TAX QUESTION WAS THE SUBJECT OF AN EMERGENCY SESSION BY CONCERNED MAYORS OVER THE WEEKEND.

CALIFORNIA IS NOT AN ISOLATED CASE, CONFERENCE EXECUTIVE DIRECTOR JOHN GUNTHER TOLD THE MAYORS. SOMETHING LIKE THAT, HE SAID, IS GOING TO HAPPEN IN A LOT OF OTHER STATES. LIONEL WILSON, THE MAYOR OF OAKLAND, CALIFORNIA, TOLD HIS COLLEAGUES THAT THE CALIFORNIA TAX REVOLT HAS TURNED INTO AN ATTACK ON GOVERNMENT ITSELF. AND HE CAUTIONED THAT BLACKS AND THEIR MINORITIES IN CALIFORNIA WILL BE THE HARDEST HIT BY MUNICIPAL BUDGET CUTBACKS. MAYOR WILSON, WHO IS BLACK, SAID THAT WHEN CITIES START LAYING OFF WORKERS, THE FIRST TO GO WILL BE THOSE HOLDING LOW-PAYING JOBS, MOST OFTEN POOR BLACKS.

BUT DESPITE THESE WARNINGS, THE MAYORS REACHED NO CONSENSUS ON THE PROBLEM. SOME CALLED FOR BELT TIGHTENING, BUT OTHERS SAID THE BELT WAS ALREADY TOO TIGHT. AND SOME ARGUED THAT THE REAL PROBLEM IS HOW TO CURB INFLATION. BUT PROBABLY THE MAJOR

ISSUE FACING THE MAYORS IS THE QUESTION OF HOW TO SLICE THE FEDERAL AID PIE IN THE LIGHT OF PRESIDENT CARTER'S ANNOUNCED URBAN POLICY.

A CLEAR SPLIT HAS BECOME EVIDENT BETWEEN TWO GROUPS OF MAYORS: ONE FROM SOUTHERN AND WESTERN CITIES, WHO ARE CHALLENGING THEIR COLLEAGUES FROM THE NORTHEAST AND MIDWEST OVER THE ISSUE OF CRITERIA FOR RECEIVING FEDERAL AID. THE ISSUE TAKES ON IMPORTANCE BECAUSE PRESIDENT CARTER'S POLICY CALLS FOR TARGETING FEDERAL AID PROGRAMS TO DISTRESSED CITIES, CONCENTRATING FEDERAL DOLLARS IN AREAS WITH THE GREATEST NEED, RATHER THAN SPREADING THEM OUT EVENLY.

THE TARGETING PRINCIPLE WOULD BENEFIT THE OLDER NORTHERN CITIES, WHERE UNEMPLOYMENT TENDS TO BE HIGH AND WHERE URBAN BLIGHT HAS RAISED A HOST OF OTHER PROBLEMS. THEY ARE CALLING THIS SPLIT "THE SUN BELT VERSUS SNOW BELT" CONFRONTATION. MAYORS FROM THE SOUTHERN SIDE OF THE SUNBELT--SNOW BELT DIVISION QUESTION THE USE OF THE TERM "DISTRESSED CITIES." I HAVE PEOPLE IN MY CITY WHO ARE DISTRESSED," SAID MEMPHIS MAYOR WYATT CHANDLER. BUT HE SAID BECAUSE THE METROPOLITAN MEMPHIS AREA IS AFFLUENT, HIS DISTRESSED PEOPLE DON'T RECEIVE FEDERAL HELP. A SIMILAR CHALLENGE CAME FROM ATLANTA'S MAYOR MAYNARD JACKSON. "IN PROSPEROUS CITIES," HE SAID, "YOU MAY STILL HAVE POCKETS OF POVERTY." HE SAID THE MAYORS OF THESE CITIES ALSO WANT TO BE ABLE TO DRINK FROM THE FEDERAL TROUGH, EVEN HOUGH, HE SAID, THEIR RESOURCES MAY EXCEED THOSE OF ECONOMICALLY HOBBLED CITIES.

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